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E.O. 12958: DNG: CO 05/10/2033
TAGS: [KNNP](#) [PARM](#) [PREL](#) [MNUC](#) [IR](#)

SUBJECT: (S) NIAG 8064: IRAN SEEKS RUSSIAN-ORIGIN NEUTRON
GENERATORS THROUGH MALAYSIA

Classified By: EUR DAS David Merkel for reasons 1.4 (b) and (d)

[¶1.](#) (U) This is an action request. Please see paragraph 4.

BACKGROUND

[¶2.](#) (S/NF) Washington has information that a Malaysian firm with ties to Iran is seeking Russian-origin neutron generators from the All-Russia Research Institute of Automatics (II) (VNIIA). Neutron generators are controlled under the Nuclear Suppliers Group (NSG) Dual-Use annex (6.A.5) because of their possible use in initiating a nuclear fission chain reaction in a nuclear explosive device. They also have other industrial uses. United Nations Security Council Resolution (UNSCR) 1803 explicitly prohibits the transfer of items listed on the NSG Dual-Use annex unless they are for exclusive use in light water reactors and are necessary for technical cooperation programs through the International Atomic Energy Agency. We have no information on the intended end-use of these items including whether this transaction is connected to an IAEA technical cooperation program or a light water reactor. Moreover, under UNSCR 1803, the provision of these items must be notified to the UNSC Iran Sanctions Committee prior to their transfer to Iran. UNSCRs 1737 and 1803 require states to prevent the supply, sale, or transfer of items that could contribute to Iran,s enrichment-related activities, as well as other proliferation-sensitive activities and nuclear weapons delivery systems.

[¶3.](#) (S/NF) Background continued: The Malaysian firm that is requesting the equipment from VNIIA has a history of procuring for Iran. Washington has recently raised the issue of this firm,s proliferation activities with the Malaysian Government.

OBJECTIVES

[¶4.](#) (S/Rel RUSSIA) Post is requested to pursue the following objectives with appropriate authorities and may draw upon the talking points in para 5:

-- Thank Russia for its cooperation and dialogue on nonproliferation issues and for its continued support for counterproliferation objectives, including through the Nuclear Suppliers Group, United Nations Security Council, the Global Initiative to Combat Nuclear Terrorism, and the Proliferation Security Initiative.

-- Note that Russia,s cooperation with respect to addressing Iran,s nuclear activities facilitated our ability to sign the U.S.-Russia Agreement for Peaceful Nuclear Cooperation (123 Agreement), which was submitted to the Congress on May [¶6.](#) Evidence of illegal or unauthorized transfers from Russia of NSG-controlled dual-use technology to Iran could affect Congressional consideration of the U.S.-Russia civil nuclear cooperation agreement.

-- Emphasize our continued concerns with efforts by procurement companies associated with Iran,s nuclear program.

-- Request that Moscow take immediate steps to investigate this export to Iran, either directly or through Malaysia, and to share with the U.S. any information that they gather in their investigations.

TALKING POINTS

15. (S/REL RUSSIA) Begin talking points for Moscow:

-- In the spirit of our joint commitment in the Strategic Framework Declaration to advance cooperation on common nonproliferation goals, we would like to inform you of a case of potential nuclear proliferation concern and ask your assistance in ensuring that material controlled by the Nuclear Suppliers Group (NSG) Dual-Use list is not transferred through Malaysia to a prohibited nuclear program/activity in Iran.

-- Your cooperation with respect to addressing Iran's nuclear activities facilitated our ability to sign the U.S.-Russia Agreement for Peaceful Nuclear Cooperation, about which the Administration is currently consulting with Congress. Continued cooperation with regards to Iran will be essential throughout this process.

-- A Malaysian company with a history of procuring items for Iran is attempting to acquire ING-07, ING-17, and ING-27 model activation analysis equipment neutron generators from the All-Russia Research Institute of Automatics (II) (VNIIA).

-- The All-Russia Research Institute of Automatics (VNIIA) is located at Sushevskaya Street, 22, Moscow, Russia, 127055, phone (499) 978-7803, website: www.vniia.ru.

-- Neutron generators are controlled in the NSG Dual-Use Annex under 6.A.5 as they can be used to initiate a nuclear fission chain reaction in a nuclear explosive device and can be used to analyze the condition of nuclear reactors or other critical nuclear assemblies. Neutron generators also have a number of industrial applications.

-- We recognize that there are certain nuclear-related activities that are permitted under United Nations Security Council Resolutions (UNSCR) 1737, 1747, and 1803. In this regard, we would welcome learning from Russia whether this possible transfer would be related to work on a light water reactor or a technical cooperation project in Iran through the International Atomic Energy Agency.

-- We recall that UNSCRs 1737, 1747, and 1803 require States to prevent the supply, sale, or transfer of items that could contribute to Iran's enrichment-related activities, as well as other proliferation-sensitive activities and nuclear weapons delivery systems. UNSCR 1803, in particular, prohibits the transfer of items listed on the NSG Dual-Use list unless they are for exclusive use in light water reactors or for IAEA technical cooperation programs.

-- In those cases, the UNSC Iran Sanctions Committee must be notified in advance of the intended transfer by the sending state.

-- Based on past activities of the Malaysian company, the U.S. is concerned about the possibility that, following their export to Malaysia, these neutron generators could be diverted to a prohibited activity in Iran.

-- We are sharing this information with you as part of our mutual efforts to prevent the proliferation of commodities that could provide material support to nuclear programs of concern and to enforce relevant UNSCRs. We understand from press reports that a recently issued Russian government ordinance specifically implements the new provisions of UNSCR 1803 and would make this type of activity illicit in Russia.

-- We hope that you can use this information to investigate this activity to ensure that VNIIA is not, even inadvertently, being used as a source for materials destined for a prohibited activity in Iran.

-- We look forward to hearing the results of your investigation and hope that if an illegal or unauthorized activity has taken place that you will be able to use all available resources to end this activity.

REPORTING DEADLINE AND POC

¶5. (U) Post should report results by May 27, 2008. Please identify the subject as &NIAG 80648 and slug replies for ISN and EUR/PRA. Department point of contact is ISN/CPI Matt Zartman, 202-647-7588.
RICE

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End Cable Text